**English Class / Master1 Accounting/ Auditing TD 04**

**Exercise 1: *Choose the best response for each one.***

1. All expenditures \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ ( = in time) show up as expenses.
2. **Immensely b. eventfully c. eventually**

1. Something is an "expense" if it is \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ against revenue during an accounting period.
2. **Chargeable b. charge c. charging**
3. Our company's \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ year begins on May 1.
4. **Frisky b. fiscal c. money-making**
5. Thanks to your hard work, we've seen some positive changes in sales \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_. ( = we have started selling more)
6. **Level b. approach c. volume**
7. We really need to start keeping our business \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ organized.
8. **Transactions b. transitions c. translations**

**Exercise 2: *Match these words with their meanings.***

**1** debt **A** an agreement between two or more parties, often written

**2** lease **B** the opposite of assets

**3** gearing **C** buying or selling something

**4** liabilities **D** someone who owns parts of a company

**5** contract **E** money that is owed

**6** transaction **F** an agreement where the owner of something allows

 someone else to use it for a specific time for a sum of money

**7** shareholder **G** the proportion of own capital to borrowed funds when

 buying an asset or financing a company

**Exercise 3: *Fill in the blanks with the correct words and phrases.***

**inflow stockholder cash distributions outflow dividends**

1 The company makes ……………………. to the owners every month.

2 Every ………………………… owns a tiny portion of the company.

3 Any time money is spent, it is recorded as a(n) ………………………

4 The company pays quarterly……………………to the stockholders.

5 Money received for sales is a(n)……………………………. of cash.

**Exercise 4: *Match the words (1-5) with the definitions (A-E).***

1 \_cash flow **A** receiving money from investors or creditors

2 \_generate **B** created by incremental additions

3 \_proceeds **C** the process of money moving into and out of a company

4 \_ financing activities **D** to make or create

5 \_cumulative **E** money earned from a sale

**Exercise 5: *Fill in the blanks with the following words and phrases.***

**time card adjusted trial balance payroll end-of-period procedures fiscal year**

1 Jack made a few errors while preparing the …………………………………
2 In Canada, the ……………………………………… goes from April to March
3 Perform ………………………….. before opening books for the new period.
4 …………………………… is one of the most predictable business expenses.
5 Tim didn't clock in, so ………………………………. his is short eight hours.